MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

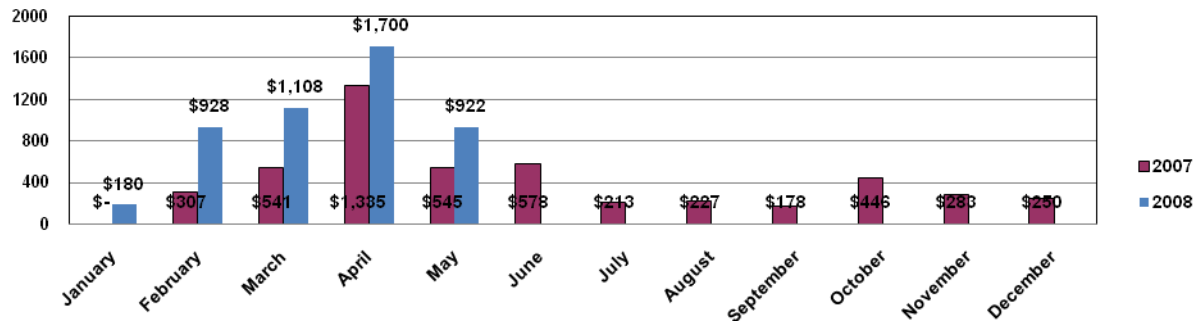
June 2008

CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Maryland Trauma Physician Services Fund

Uncompensated Care Processing
CoreSource Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $1 million in May. The monthly payments for uncompensated care over the past seventeen months are shown in Figure 1. The Fund has reimbursed physicians more than $3.7 million in the past three months, compared with about $2.4 million for those same months in 2007.

Figure 1 -- Uncompensated Care Payments FY 2007 and 2008 (in 000s)



Trauma Equipment Grants
Trauma Centers must disburse all funds from the 2007 equipment grants no later than June 30, 2008 and send an itemized disbursement report to the Commission directly thereafter. All hospitals must submit a report.

Trauma Uncompensated Care Reimbursement
Staff is automating the submission of check requests to the General Accounting Department. Slow payment has been one complaint of practices that are participating in the Trauma Fund.

SB 916 – Maryland Trauma Physician Services Fund – Reimbursement and Grants
The Commission is required to implement the new law (signed by Governor Martin O'Malley on April 24th) effective July 2008. Staff is drafting proposed changes to COMAR 10.25.10 to conform with the statutory changes in consultation with staff members from the Maryland Institute for Emergency Medical Services Systems (MIEMSS), the Health Services Cost Review Commission (HSCRC), and the members of TraumaNet.

Data and Software Development

Medical Care Data Base
Staff released the 2007 Medical Care Data Base (MCDB) submission manual to insurance companies and HMOs (payers) that submit claim and encounter information to the MHCC. Under Commission

regulation at COMAR 10.25.06, twenty-six payers have been identified as collecting more than $1 million in health insurance premiums, and therefore, are required to submit this data. The 2007 MCDB submission includes several new reporting requirements. In the medical care claim data, the Delivery System Type category has been expanded to include Exclusive Provider Organizations (EPOs). The Pharmacy Data File has been expanded to include a new field for the Prescription Claim Number. Finally, the Provider Directory File has been expanded to include three new required fields: the National Provider Identifier (NPI) number, the Maryland Health Professional License number, and the Maryland Health Professional Board Code.

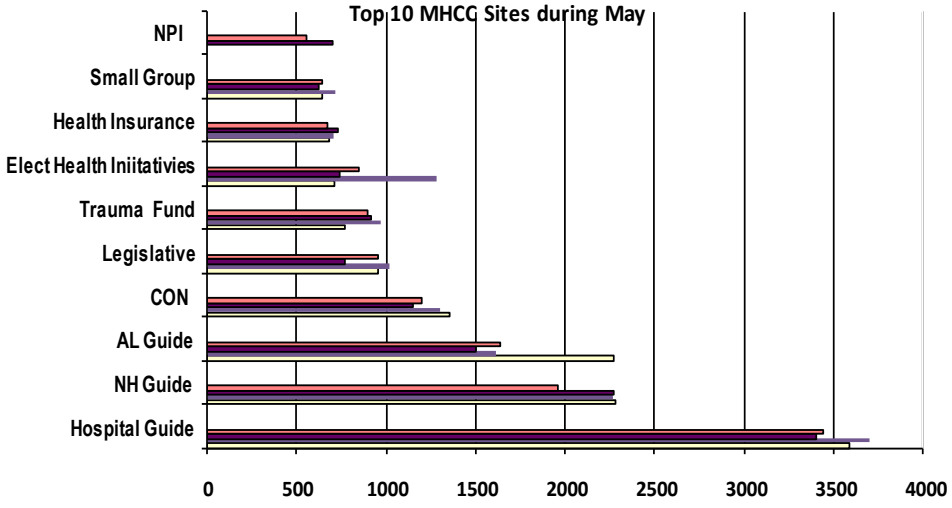
Data from the MCDB supports analyses for several annual reports, including State Health Care Expenditures, Practitioner Utilization and Expenditures, and Prescription Drug Use and Expenditures. The data base also provides information used in more focused Commission-published "Spotlights" on specific areas of interest to policymakers. The data submission is due by July 1, 2008.

Internet Activities

Figure 2 presents results on web utilization for the ten most frequently visited Commission sites for February through May of this year. From 20,000 to 21,000 unique users visited the site each of those months. About 48 percent of users came directly to the site (typed or pasted an MHCC address in their browser) and GOOGLE referred about one-third of all visitors (6,800-7,000) per month. A majority, or near majority, of visitors to some sites originated from Google, including -- CON, electronic health, NPI, and the highest of all, the Trauma Fund. High percentages of visitors originating from Google would suggest that these sites may not be specifically sought, but rather identified through a general search. The average user spent about 2.20 minutes on the site in May and looked at, on average, four to five pages. The time on the site has declined each month since February.

The Hospital Performance Guide, shown as "Hospital Guide" below, was the site with the highest utilization. The Guides (Hospital, Assisted Living, and Nursing Home) had significant traffic during the month. These three sites are the most frequently visited sites. The remaining sites are primarily policy related sites aimed at analysts and policymakers in the respective areas; therefore, fewer visitors would typically be expected. One possible exception is the 'Electronic Health" and NPI sites. The recent implementation of the national provider identifier (May 23, 2008) likely causes a surge in utilization.

Figure 2 Unique Visits to the MHCC Web Site in February Through May



Web Development for Internal Applications
Work continued in May on six MHCC web applications. The top priority was the development of the premium subsidy application; however, important work was also completed on the EDI Assessment and the Physician pricing application. The following sites are newly operational or underdevelopment**.**

Table 1– MHCC Web Applications Under Development

Application	Anticipated Start Development/Renewal	Launch date
Premium Subsidy Program	**Underway**	**September 15th**
EDI Assessment	Under Development	Underway (comp 07/1/08)
LTC Survey	Modifications Underway	08/01/08
ADA Compliant NH Guide ADA Compliant with ADA Guidelines	Not Started	Under determined
Redesign of Hospital Guide	External Contractor	Not Specified

Health Occupation Boards License Renewals
Staff continued to make progress on license renewal applications for the occupation boards. Table 2 presents the status on development for health occupation boards.

Table 2– Health Occupation Boards with Web Applications Under Development

Board	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
Occupational Therapy	On-line	Underway (Complete 7/1/08)
Audiologists	On-line	Underway (Complete 7/1/08)
Acupuncture	On-line	Underway (Complete 6/30/08)
Dietetic	Underway	08/11/08
Dental	Complete	Underway (complete 8/1/08)
Physician	Underway	07/15/08
Chiropractic	Not started	09/01/08
Optometry	Not started	06/30/09

Cost and Quality Analysis

The Center for Information Services and Analysis (CISA) staff continues to serve as staff to the Governor's Task Force on Health Care Access & Reimbursement, of which Dr. Cowdry is a member. The topic of discussion at the May Task Force meeting was reimbursement of hospital-based physicians, and MHCC staff made a presentation that provided a background on the issues involved and reviewed possible options. In hospital settings, patients sometimes receive services from physicians who do not participate in their insurance plans, even though the hospital does. Because patients in the hospital generally do not have the option of "shopping around" for a participating physician, Maryland law protects HMO patients from being balance-billed by these non-participating physicians, but PPO patients are not similarly protected. Hospital-based physicians, who have a requirement under EMTALA to provide call and deliver emergency care, are experiencing growth of uncompensated care from uninsured patients and PPO patients who are unprepared to pay the balance billed. Non-participating hospital-based physicians are also dissatisfied with their reimbursement from HMOs under Maryland's current HMO non-participating statute. There is some pressure on these physicians to align their participation contracts

with those of the hospital, but hospitals also face challenges as competition for surgical and medical specialists has grown more intense. A subgroup of the Task Force was formed to further study this issue with assistance from CISA staff. The June Task Force meeting, which was dedicated to the topic of promoting access to primary care providers, also included a presentation by MHCC staff on the Centers for Medicare and Medicaid Services' (CMS') plans and MedPAC's recommendations to promote primary care in Medicare. This presentation and a presentation on hospital-based physician reimbursement, is available at the Task Force's website: http://www.dhmh.state.md.us/hcar/index.html.

CISA staff will release an issue brief in July that focuses on an issue of concern for the Task Force regarding access to primary care physicians: the gap in earnings for generalist physicians (family practice, general internal medicine, pediatrics) versus specialists. The issue brief will outline the underlying causes for the significantly lower earnings among primary care physicians compared to other physician specialties. This gap in earnings is often cited as one of the causes of a projected shortage in generalist physician supply, both nationwide and in Maryland. The issue brief will also review possible ways to address the earnings gap. This study utilizes the Commission's Medical Care Data Base of private insurer claims for practitioner services provided to Maryland residents, as well as information from other sources.

The CISA staff has begun planning for the next *Health Insurance Coverage in Maryland* chartbook, which will be released in December. As always, the data for the chartbook come from the Census Bureau's Current Population Survey (CPS), Annual Social and Economic Supplement. In 2007, Census staff identified an historic problem with data files construction that resulted in an undercount of persons with private, dependent coverage. The data fix designed by the Census staff has required Commission staff to recreate and test all of our analysis files for calendar years 2000 through 2005 so that our trend analyses will be accurate. The change means that the uninsured rates reported in this year's chartbook for previous time periods will be about one percentage lower than those listed in earlier reports. This year's report will contain the same types of information as the previous three reports (to facilitate comparisons over time), with the addition of at least two new analyses in the figure section. The Commission's coverage report is an important reference document for Maryland Department of Health and Mental Hygiene (DHMH) staff, legislators, and other stakeholders.

CENTERS FOR HEALTH CARE FINANCING AND LONG-TERM CARE AND COMMUNITY BASED SERVICES

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)

At the February public meeting, the Commission approved final regulations on the incorporation of an Exclusive Provider Organization (EPO) as an additional plan type to be offered in the small group market. The regulations were implemented effective March 24, 2008 and carriers can begin selling this new product on July 1, 2008.

At the May public meeting, Commission staff presented the results of the annual surveys submitted by each participating carrier in the small group market. The presentation included updated information on the number of employer groups enrolled, the number of lives covered, average premiums for various plan types, etc. in the CSHBP for the year ending December 31, 2007, as well as the overall cost of the core CSHBP in relation to the income affordability cap, which is set in statute at 10% of the average annual

wage in Maryland. For comparative purposes, the report also included enrollment by age and geographic location of the business for both CY 2006 and CY 2007. Since the overall cost of the CSHBP is estimated to be at about 86% of the cap for 2007, the Commission is not required to make any changes to the Standard Plan. However, at the request of the Commission and the General Assembly, staff will evaluate the cost of covering dependents up to the age of 25 and coverage for domestic partners in the small group market. Based on that analysis, the Commission will consider the adoption of those two benefits in the small group market later this year.

"Health Insurance Partnership" – (Premium Subsidy Program)
At the February public meeting, the Commission adopted both emergency regulations (for an immediate effective date) and proposed permanent regulations that specify the components of wellness benefits offered under small employer health benefit plans. These regulations are required under SB 6, the *"Working Families and Small Business Health Coverage Act,"* enacted during the Special Session of November 2007. The regulations were submitted to the Department of Business and Economic Development (DBED) and the Administrative, Executive, and Legislative Review Committee (AELR) for approval. The emergency regulations were approved on April 1, 2008 and will expire on August 18, 2008. The proposed permanent regulations were published in the Maryland Register on April 11, 2008 and the public comment period ended on May 12, 2008. One comment was received. Staff will present the comment and staff recommendations to the Commission for final adoption of the regulations at the June public meeting.

At the May public meeting, the Commission adopted both emergency regulations (for an immediate effective date) and proposed permanent regulations to implement the Premium Subsidy Program, also required under SB 6. This new Program (now named the "Health Insurance Partnership") will be available to certain small employers with 2 to 9 eligible employees as long as they meet the requirements outlined in the law and meet certain salary, wage and other requirements established by the Commission through regulation. The proposed permanent regulations are scheduled to be posted in the Maryland Register on June 20, 2008 for the required comment period. In addition, staff has posted and continually updates a webpage on the MHCC website to inform all interested parties, including, carriers, brokers, employers, employees, various business associations, etc. of the ongoing process to implement this new program. Staff has held a number of informational meetings to date and will continue with broker education meetings throughout the summer. Upon approval of the final regulations, the Health Insurance Partnership is expected to begin enrollment on October 1, 2008.

Limited Benefit Plan
As required under Chapter 287 of the Acts of 2004 and Chapter 627 of the Acts of 2007, the Commission was required to develop a report for the General Assembly on the overall enrollment in the Limited Benefit Plan since its inception on July 1, 2005 through June 30, 2007. The report also included alternative options for individuals enrolled in the Limited Benefit Plan. At the December 2007 public meeting, the Commission approved the report and copies of the report were submitted to the General Assembly. The report also is posted on the Commission's website. The requirement that prominent carriers offer the Limited Benefit Plan in the small group market will sunset on June 30, 2008.

Mandated Health Insurance Services
As required under Insurance Article § 15-1501, *Annotated Code of Maryland*, the Commission is required to submit an annual report to the General Assembly on: (1) any proposed mandated health insurance service that failed during the preceding legislative session; or (2) any request for analysis on a proposed mandated benefit that was submitted by a Legislator to the Commission by July 1st of that year. Each evaluation must include an assessment on the medical, financial, and social impact of the proposed

mandate. To date, this year's report will include an evaluation on the following five (5) proposed mandates:

1. Coverage for prosthetic devices
2. Extending the current mandate on coverage for in vitro fertilization
3. Coverage for the shingles (herpes zoster) vaccine
4. Coverage for autism spectrum disorder
5. Coverage for a 48-hour inpatient stay following mastectomy

Mercer, the Commission's consulting actuary, will prepare this report, which is due to the Governor and the General Assembly by December 31, 2008.

Health Plan Quality and Performance

HEDIS 2008 Audit Activities
The HEDIS audit is nearing completion with most measure validation processes finalized. HealthcareData.com (HDC), the HEDIS audit contractor for MHCC, has completed the majority of tasks associated with the HEDIS evaluation process

Consumer Assessment of Health Plan Study (CAHPS Survey)
W B & A concluded survey data preparation in time to meet the deadline for submitting member level results to National Committee for Quality Assurance (NCQA) for validation and composite rate calculation. The validated rates will become available to submitting health plans and vendors on NCQA's Website in early June. Staff has instructed the vendor to create files of the validated data and forward on to plans as a back-up to the web-based data source. The final CAHPS results will be presented, along with clinical data in the 2008 HMO publications.

Report Development Contract
The evaluation committee that reviewed proposals scored as most favorable to the State the proposal from the National Committee for Quality Assurance (NCQA). The committee recommended unanimously that the contract for development of HMO reports be awarded to NCQA.

MHCC staff attended the May 21st meeting of the Maryland Board of Public Works. The BPW took final action and approved the contract for report development for contract period 2008—2009, with three one-year extension periods through May 31, 2012.

Racial and Ethnic Disparities

National Business Group on Health
MHCC staff contributed to the work of the four designated subcommittees (Data, Communication, Refining the Business Case, and the Employer Survey). The progress of the various subcommittees was reviewed by the Racial/Ethnic Health Disparities Advisory Committee during a conference call held on June 3rd. The teleconference session was led by Audrietta Izlar (Verizon Communications, Chair), Dr. Andrew Gurman (American Medical Association, Co-Chair), Dr. Garth Graham (OMH), Dr. Anne Beale (Commonwealth Fund), Helen Darling (NBGH), and Dr. Joseph Betancourt **(**Massachusetts General Hospital). Bruce Kozlowski served as the primary representative for the Maryland Health Care Commission.

Collaborations
On June 16th, staff is scheduled to host the first meeting of the Health Insurance Plans (HIP) Disparity Work Group to begin discussions regarding the collection and reporting of race and ethnicity data by the Maryland Health Plans. The purpose of these forums is to provide the Plans with an opportunity to

discuss current strategies, directions, challenges and progress being made in Maryland, as well as nationally, in obtaining, sharing and incorporating this data in the development of programs and services to reduce chronic diseases and health disparities. During the course of these meetings, MHCC staff will seek to foster consensus regarding critical data nuances, including definitions and formats as well as accuracy, reliability, uniformity and standardization issues. As a key stakeholder involved in statewide efforts to enhance health care access, quality and value, MHCC intends to facilitate and coordinate a process that results in full buy-in and cooperation of the Plans on a voluntary basis.

Long Term Care Policy and Planning

Hospice Data
The Fiscal Year 2007 Maryland Hospice Survey was released for online survey completion effective March 5, 2008. Staff has been monitoring survey completion by means of weekly conference calls with OCS, the contractor for the survey. Staff has also sent follow-up emails to hospice programs reminding them of due dates for survey completion. To date, all programs have completed Part I of the survey. OCS is currently reviewing the data for completeness and doing follow-up with the agencies, as needed. Part II (financial data from the cost reports) is due June 16th. To date, 18 of the 30 programs have completed and certified Part II data.

Home Health
Home health agency survey data from the twenty seven home health agencies with a fiscal year end date of December 31, 2007 were due on May 31, 2008. To date, 22 agencies submitted their survey on time. There are three agencies that are currently in progress; and two agencies were exempt due to change in ownership, resulting in no data available for the fiscal period.
Staff continues to review the initial set of home health agency survey data for processing of the statistical reports. This data will be combined with the final set of home health agency data; frequencies will be reviewed and edits will need to be written to make the corrections where appropriate.

Long Term Care Survey
The 2007 Long Term Care Survey is scheduled for release at the end of July, 2008. The Commission has received and processed the 2007 Medicaid Cost Report data for upload to the survey application. This data is preloaded into the survey to increase efficiency and is made available for facility staff to verify, together with other preloaded data from the previous year's survey. Staff continues to update and test the survey application and is updating the tracking system used for maintenance /administration of the survey.

House Bill 1187
HB 1187, passed during the last legislative session, relates to the financial condition of nursing homes. This bill requires the Secretary of DHMH to convene a Stakeholders workgroup to make recommendations to the Secretary regarding regulations on: ownership and other information to be required from nursing homes on licensure and relicensure; information on changes in financial condition to be reported to the Department; and other items related to nursing home licensure. Staff attending the first meeting of this workgroup on June 10th.

Long Term Care Quality Initiative

Long Term Care Web Site Enhancement
Staff has written detailed specifications describing content of the LTC services for the web site enhancement. Proposed services for inclusion on the site are: Adult Day Care, Congregate Housing, Congregate Meals, Home Delivered Meals, Home Health Agencies, Hospice Services, Medicaid Waiver Services, Residential Service Agencies, Senior Centers, Senior Health Insurance Assistance Program

(SHIP), Transportation Assistance, and Technology Assistance. Written specification of structural, functional, and technical requirements for the site is in process.

The MHCC and Office of Health Care Quality (OHCQ) have been assigned by the Governor's office the task of developing a "citizen-friendly" report, particularly for the report of deficiencies and enforcement actions for Maryland nursing homes and assisted living facilities. A system that translates the information available in a way that is easy to understand and promotes transparency is the end goal. Other state and national models are being reviewed by MHCC staff to assist in this task.

Nursing Home Family Survey
The Board of Public Works approved the contract option at the May meeting needed to move ahead with administration of the 2008 family survey. Staff have updated the work plan for the coming contract year, which begins July 1, 2008. Minor changes to the survey have been made to refine skip patterns and clarify some questions. MHCC staff have shared the Maryland Family Survey with the Agency for HealthCare Quality (AHRQ). AHRQ is developing, with the support of CMS, a nursing home survey of family members to add to the Consumer Assessment of HealthCare Providers and Systems (CAHPS) standardized surveys of patients' experiences. The AHRQ instrument will undergo additional testing before wide use.

CENTER FOR HOSPITAL SERVICES

Hospital Services Policy and Planning

Certificate of Need (CON)

CON Letters of Intent

- Northampton Manor (Frederick County)
  Renovation and new construction to the existing comprehensive care facility

- Anne Arundel Medical Center/Anne Arundel Health Care Enterprise, Inc. and Franklin Ambulatory Surgery LLC (Anne Arundel County)
  Establish a free-standing multi-specialty ambulatory surgery center with 4 operating rooms and 2 procedure rooms to be located in the Anne Arundel Ambulatory Services Pavilion, 2000 Medical Parkway, Annapolis

CON Applications Filed

- Manor Care Bowie (Prince George's County) – Matter No. 08-16-2249
  Construction of a new 120 bed comprehensive care facility by relocating previously approved beds from existing facilities to a new location on U.S. 301 in Bowie.
  Capital Cost: $14,576,967

- Franklin Square Hospital Center (Baltimore County) – Matter No. 08-03-2250
  Refocus child psychiatric service serving 0-12 year olds to include adolescent psychiatric services for 11-16 year olds at the hospital.

Pre-Application Conference
May 14, 2008

- Northampton Manor (Frederick County)
  Renovation and new construction to the existing comprehensive care facility

- Anne Arundel Medical Center/Anne Arundel Health Care Enterprise, Inc. and Franklin Ambulatory Surgery LLC (Anne Arundel County)
  Establish a free-standing multi-specialty ambulatory surgery center with 4 operating rooms and 2 procedure rooms to be located in the Anne Arundel Ambulatory Services Pavilion, 2000 Medical Parkway, Annapolis

Application Review Conferences

May 23, 2008

- Manor Care Bowie (Prince George's County) – Matter No. 08-16-2249

Construction of a new 120 bed comprehensive care facility by relocating previously approved beds from existing facilities to a new location on U.S. 301 in Bowie. Capital Cost: $14,576,967

Determinations of Coverage

Acquisitions

- Baltimore Spine Center, LLC (Baltimore County)
  Restructuring of the ownership interest of the facility

- Tender Loving Care Health Care Services
  Acquisition of Tender Loving Care by Amedysis, LLC

Delicensure of Bed Capacity or a Health Care Facility

- Harford Memorial Hospital (Harford County)
  Temporary delicensure and closure of the 17 bed sub-acute care unit at the hospital
- FutureCare-Pineview (Prince George's County)
  Temporary delicensure of 10 CCF beds
- FutureCare-Old Court (Baltimore County)
  Temporary delicensure of 5 CCF beds
- FutureCare-Cherrywood (Baltimore County)
  Temporary delicensure of 6 CCF beds
- FutureCare-Chesapeake (Anne Arundel County)
  Temporary delicensure of 6 CCF beds

Ambulatory Surgery Centers

- Comprehensive Pain Management (Montgomery County)
  Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 15200 Shady Grove Road, Suite 302, Rockville

- Bel Air Surgery Center (Harford County)
  Establish an ambulatory surgery center with 1 sterile OR and 2 non-sterile procedure rooms to be located at 209 Thomas Street, Bel Air

- LaPlata Ambulatory Urological Center (Charles County)
  Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 101 Centennial Street, Suite E, LaPlata

Policy and Planning

The draft State Health Plan Chapter for Acute Inpatient Services (COMAR 10.24.10) and updated medical-surgical-gynecological-addictions and pediatric bed need forecasts for 2016 were released for informal public comment. Comments were received from eight organizations: Adventist HealthCare; CareFirst BCBS, Kaiser Permanente; Frederick Memorial Hospital; Holy Cross Hospital; LifeBridge Health; Maryland Department of Planning; Maryland Hospital Association; and MedStar Health. (Copies of the informal public comments have been posted to the Commission's website at http://mhcc.maryland.gov/public_comment/comar102410comments.html

The Task Force on the Plan to Guide the Future Mental Health Service Continuum held its third meeting on Tuesday, May 27, 2008. The purpose of the Task Force is to provide assistance to the Commission in the development of the Plan to Guide the Future Mental Health Service Continuum consistent with the direction from the Joint Chairmen's Report. The Task Force is chaired by Rex W. Cowdry, M.D.

At the third meeting, the Task Force discussed a White Paper on *Best Practices: Crisis Response and Diversion Strategies*. The White Paper provides a template for a "good" system of crisis and diversion services. It provides relevant research and literature regarding the effectiveness of various crisis and diversion services, including the use of outpatient commitment to divert individuals from inpatient services. The paper also provides an overview of the various crisis and diversion services offered in Maryland, including a description, location, utilization and expenditures for these services and provides an overview of the various pathways for access to crisis and diversion services. Finally, the White Paper discusses options Maryland may use to improve its diversion and crisis services and questions for Task Force discussion. Materials presented at the May 27, 2008 Task Force meeting are posted on the website at http://mhcc.maryland.gov/mental_health_services/index.html

On June 4, 2008, the Commission forwarded the Application for Annual Licensed Bed Designation to the CEO of each Maryland hospital. The application shows each hospital's current licensed acute care bed capacity, as well as the calculated licensed bed capacity for the hospital to be effective July 1, 2008, computed in accordance with regulations at COMAR 10.07.01. This calculated licensed bed capacity is equal to 140 percent of the hospital's average daily census during the 12-month period, April 1, 2007 through March 31, 2008. This calculated number will be the hospital's new total licensed acute care capacity, to include medical/surgical services and, as appropriate, obstetric, pediatric and acute psychiatric services, for Fiscal Year 2009. Enclosed with the *Application for Annual Licensed Bed Designation* were a series of supplemental surveys:

- Emergency Department Treatment Capacity (as of June 1, 2008)
- Obstetric Services Capacity (as of June 1, 2008)
- Inpatient Monitoring Capacity (as of June 1, 2008)
- Surgical Capacity, 2008
- Special Hospital (Non-Psychiatric) and Other Services Capacity
- Psychiatric Service Capacity

Hospital Quality Initiatives

Hospital Performance Evaluation Guide (HPEG) Advisory Committee

The HPEG Advisory Committee held its monthly meeting on May 19th to discuss various activities associated with the maintenance and expansion of the Hospital Performance Evaluation Guide (HPEG). The MHCC staff presented a draft *Health Information Technology (HIT) Survey* for the Committee's review and comment. The HIT Survey is designed to assess the status of the adoption and utilization of

HIT to support hospital services and promote patient safety. Staff also discussed the status of activities surrounding the implementation of the HAI Advisory Committee recommendations and the recently updated HSCRC Hospital Price Guide. Finally, Staff summarized procurement activities surrounding the establishment of a Quality Measures Data Center to support the Maryland Hospital Performance Evaluation System. The staff has engaged the services of the Delmarva Foundation, Inc. to update the Guide and expand the hospital measures currently available for public review and information. The staff will be working with the contactor to collect, analyze and display detailed hospital information over the next several weeks.

Healthcare-Associated Infections (HAI) Advisory Committee
The first meeting of the new HAI Advisory Committee was held on May 29th. Staff reviewed the background and charge of the Committee and summarized issues surrounding current and future healthcare-associated infections data collection and validation. Technical issues associated with hospital compliance with NHSN enrollment and system requirements were reviewed to solicit guidance from committee members. In accordance with the recommendations of the HAI Technical Advisory Committee, the NHSN system will be the vehicle for collecting data on certain health-care associated infection data and quality measures from Maryland hospitals. Maryland hospitals are required to use the NHSN system to report data to the Commission on Central Line-Associated Blood Stream Infections in any intensive care unit, beginning July 1, 2008.

Staff continues to participate in the NHSN State Users monthly teleconferences to stay abreast of issues surrounding HAI hospital performance measures and to share experiences with representatives from other states.

In support of MHCC's hospital quality initiatives, the staff continues to reach out to other units within DHMH, federal agencies, professional organizations, and other states, to share and gather information and to identify opportunities for collaboration and improvement.

Specialized Services Policy and Planning

COMAR 10.24.05 Research Waiver Applications: Atlantic C-PORT Study of Nonprimary PCI provides for a limited number of qualified hospitals without on-site cardiac surgical services to participate in the Atlantic Cardiovascular Patient Outcomes Research Team (C-PORT) elective angioplasty study. The following hospitals in the Metropolitan Baltimore or Metropolitan Washington regional service area filed applications for a research waiver: Shady Grove Adventist Hospital (Docket No. 08-15-0027 NPRW), St. Agnes Hospital (Docket No. 08-24-0028 NPRW), Baltimore Washington Medical Center (Docket No. 08-02-0029 NPRW), Johns Hopkins Bayview Medical Center (Docket No. 08-24-0030 NPRW), Southern Maryland Hospital Center (Docket No. 08-16-0031 NPRW), Anne Arundel Medical Center (Docket No. 08-02-0032 NPRW), and Holy Cross Hospital (Docket No. 08-15-0033 NPRW). On June 20, 2008, the Commission will publish in the *Maryland Register* the review schedule for applications filed by eligible hospitals in the Eastern Shore or Western Maryland regional service area.

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Health Information Technology

Health Information Technology

Last month, staff received comments on the draft Solutions and Implementation report from several participants of the Solutions and Implementation Workgroup (Workgroup). This report addresses organizational-level business practices related to privacy and security policies for electronic health information. Workgroup participants developed guiding principles for exchanging patient information electronically, and evaluated the current privacy and security barriers to health information exchange (HIE). Key guiding principles included: accessibility, consumer-centric exchange, emergency access, governance, misuse, security, standards, and sustainability. The Workgroup also identified access to data, a common patient identifier, concerns regarding the use of data, funding, interoperability, liability, stakeholder trust, and technical and process infrastructure as barriers to HIE in Maryland. Staff anticipates releasing the final report in July.

Staff participated in two meetings of the Certification Commission for Healthcare Information Technology (CCHIT) Network Workgroup (Workgroup) in May. Both of these meetings focused on addressing the public comments to the proposed network certification criteria roadmap and finalizing the criteria. The Workgroup released a series of network test scripts for a 14-day public comment period that began on May 20th. CCHIT will conduct alpha testing with two networks at the end of May, which will also include an in-depth walk through of the proposed approach to transaction testing. Pilot testing is scheduled to take place in June. The network certification program focuses on the technology infrastructure of networks that exchange clinical data. The Centers for Medicare and Medicaid Services (CMS) is planning to implement the program on October 1st but continues to assess delaying the program.

Staff presented a draft version of the Hospital HIT Survey to the Center for Hospital Services Hospital Performance Evaluation Guide Advisory Committee (Committee). Representatives of the Committee proposed several additional modifications to the survey. Staff also received comments on the survey from a few hospital CIOs. Once finalized, the survey will be incorporated into the annual Center for Hospital Services Hospital Quality Survey. Survey questions were crafted using feedback received from hospital CIOs and several other well known national HIT surveys. This survey builds on national efforts to monitor hospital HIT adoption, and asks questions aimed at assessing the level of implementation and HIT planning. The survey contains key questions that will allow for national comparison. Over the next couple of months, staff plans to seek additional comments from the Committee and hospital CIOs. Staff anticipates asking all hospital CIOs to complete the survey late in the summer and develop an information brief based on the findings.

Staff continues to collaborate with the Erickson Foundation to develop a physician electronic health record (EHR) adoption survey. Over the next month, staff plans to work with the Erickson Foundation to finalize the survey questions. The Maryland Academy of Family Physicians has agreed to review the final draft of the survey, and will provide feedback around the middle of June. The Erickson Foundation has engaged a vendor to administer the survey over the telephone around the end of August. A survey sample will be identified based on practice specialty and location. Staff plans to work with the Erickson Foundation to analyze the data; a report on the findings is targeted for release in December. The survey questions will allow for national comparison and will be useful to payers and providers in developing programs that expand EHR adoption in Maryland.

In October 2007, Secretary Michael Leavitt announced that the Department of Health and Human Services planned to launch a five-year demonstration project aimed at rewarding physicians for use of an EHR; CMS will oversee the demonstration project. Staff submitted a combined application along with the Maryland State Medical Society (MedChi) and the Medical Society of the District of Columbia at the beginning of May. By the end of the month, CMS notified staff that its application had been chosen, along with 12 others nationally, to participate in the demonstration project. The demonstration project is designed to show that widespread adoption and use of EHRs will reduce medical errors and improve the quality of care. The project will provide financial incentives for up to 200 primary care practices with less than 20 physicians to adopt EHRs. Primary care practices will receive payment for implementing an EHR during the first year and begin reporting on 26 clinical measures during the remaining years. The maximum amount of incentive payment for participation in the demonstration project is $290,000 per practice. The demonstration project is scheduled to begin in August.

Health Information Exchange

Staff addressed Health Services Cost Review Commission (HSCRC) Commissioner's questions at its May meeting in regards to MHCC's recommendations to fund the efforts by the Chesapeake Regional Information System for our Patients (CRISP) and the Montgomery County HIE Collaborative to develop recommendations for implementing *A Citizen Centric Health Information Exchange for Maryland.* The HSCRC voted in favor of adopting the MHCC recommendation. Over the next nine months, these two groups will convene multi-stakeholder meetings to analyze, evaluate, and make recommendations that address policy and technical issues related to implementation of a statewide HIE in Maryland. The groups have already begun meeting to discuss the formation of workgroups. Staff will provide guidance to the planning teams as they begin to address a specific series of issues: governance, privacy and security, role-based access, user authentication and trust hierarchies, exchange architecture, hardware and software solutions, costs of implementation, a sustainable business model, and strategies to assure appropriate patient engagement, access, and control over information exchange. A final report is due to the MHCC on February 20, 2009.

Staff participated with nine other states in developing an Environmental Scan that assesses authentication and authorization activities of organizations exchanging electronic patient information. These efforts are part of the Health Information Security & Privacy Collaboration (HISPC) Adoption of Standards Collaborative Workgroup (Workgroup) to develop the *National Health Bridge (NHB): Basic Policy Requirements for Authentication and Audit*. This work will support cross network HIE for treatment of individuals and populations, and provide an implementation plan to guide participating states in the adoption of the NHB. Representatives from statewide service area health information exchanges will be invited to take part in specific activities relating to the HISPC over the next ten months. Staff is currently working with CRISP to evaluate a HISPC medication management use case.

Staff continued in its efforts to develop a *SAHIE Planning Guide* (Guide). The Guide will foster the adoption of standard policies and practices that are expected to facilitate the exchange of patient information in a statewide HIE. Over the last month, approximately 20 hospital CIOs responded to a brief survey regarding their clinical data sharing activities with providers in their service area. Staff has selected Dynamed Solutions, LLC to assist in convening a SAHIE Workgroup (Workgroup) that will develop a framework of best practices for communities involved in exchanging electronic patient information. The Workgroup consists of hospital CIOs and other select stakeholders who will determine an acceptable range of policy related to business standards and privacy and security practices for communities that share electronic health information. The first meeting of the Workgroup is tentatively scheduled in June, and the Guide is expected to be released at the end of the year.

Electronic Health Networks & Electronic Data Interchange
Last month, staff provided consultative support to Computer Sciences Corporation as they completed their MHCC certification application for candidacy status. Staff also participated in a meeting of the Electronic Health Network Accreditation Commission's (EHNAC) Criteria and Marketing Committee. The Criteria Committee discussed development of a requirement for shredding and destruction of paper health information records. The Marketing Committee discussed activities related to various techniques for educating payers. Staff is also providing support to EHNAC in their efforts to convene a group of stakeholders to explore privacy and security accreditation opportunities.

The *2007 Dental EDI Review* (Review), which discusses 2006 dental transactions as well as overall electronic data interchange (EDI) activity and trends in Maryland, will be released in June. Staff is planning to schedule a meeting with the Maryland State Dental Association this summer to provide an overview of the Review and propose strategies aimed at expanding dental EDI. Last month, staff finalized the web-based EDI application that will be used by 42 payers to submit their 2007 health care transaction information as required by COMAR 10.25.09, *Requirements for Payers to Designate Electronic Health Networks*. Four payers participated in pilot testing of the EDI web-based application, and suggested minor changes. Staff emailed user IDs and passwords to the reporting payers; the web-based application will be available to payers in June.

National Networking
Staff participated in the 17th Annual Workgroup for Electronic Data Interchange (WEDI) National Conference in Baltimore. WEDI is a professional organization representing health care stakeholders with a mission to improve the quality of health care through effective and efficient information exchange and management. WEDI has historically focused its efforts on EDI issues but is currently coordinating its activities with national HIE initiatives. The annual conference presented information on both EDI and HIE.

Staff participated in the State Alliance for e-Health (State Alliance) quarterly meeting held in Washington, D.C. The State Alliance is a consensus based, executive-level body of state elected and appointed officials that collectively address state-level health information technology (HIT) issues and challenges to interoperable electronic HIE. The meeting included a series of updates and discussions from some of the committees and taskforce groups.

Staff participated in the latest Agency for Healthcare Research and Quality Web Conference titled, "*A National Web Conference on the Importance of Evaluation in Health Information Technology Implementation: Practical Advice for Providers and Healthcare Organizations.*" The meeting discussed tools that have been created to assist organizations in evaluating and implementing HIT, outlined pitfalls encountered during implementation, and discussed the development of metrics to monitor, evaluate, and measure success and return on investment after implementation.

Staff participated in a virtual meeting of the Healthcare Information and Management Systems Society (HIMSS) Chapter Regional Health Information Organization (RHIO) Liaison Roundtable. Members reported approximately 75% of the states have indicated some level of state HIE initiatives. Staff continues to participate in the HIMSS Personal Health Record (PHR) Committee for Clinician Outreach Task Force. The Task Force is working on a survey to gather baseline information from clinicians on their current use of PHRs. A marketing plan will be developed from the survey and will be used to promote clinicians to use PHR information in the care of their patients. The plan is expected to be released in the fall.